GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3010
ANSWERED ON:16.03.2001
CLOSURE OF BANKS
GADDE RAMAMOHAN;M.V.V.S MURTHI;SHIVAJI MANE

Will the Minister of FINANCE be pleased to state:

(a) whether the Confederation of Indian Industry (CII) recommended for closure of three banks;

(b) if so, the details thereof and the reasons therefor;

(c) whether five members of the CII task force on NPAs had defaulted to the tune of 102.82 crore;

(d) if so, the details in this regard; and

(e) the steps taken by the Government/banks to recover the NPAs from the above mentioned persons ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a) & (b) :- The Confederation of Indian Industry (CII) have withdrawn the recommendations, of a Task Force appointed by it, regarding the closure of the weak public sector banks.

(c),(d) & (e):- Under the current provisions of banking laws, disclosure of details of borrowers of banks and financial institutions is not permissible. However, Reserve Bank of India publishes a list of borrowal accounts against whom banks and financial institutions have filed suits for recovery of dues aggregating Rs. 1 crore and above as on 31st March every year. The last such list has been published as on 31.03.2000. It is available on web site at http:/www.rbi.org.in

Govt. of India and RBI have advised banks to take several steps for recovery of bank dues such as evolving and implementation of recovery policy by banks, filing of suits with civil courts, filing cases with Debt Recovery Tribunals, compromise settlement through Settlement Advisory Committees and monitoring and follow up of non-performing accounts at various levels in the bank. RBI vide its circular dated 27th July, 2000 has framed non-discretionary and non-discriminatory guidelines for settlement of NPAs upto Rs.5 crore. For loan outstanding of above Rs. 5 crore personal supervision by Chairmen has been advised.